

U.S. Department of Housing and Urban Development NEWS FROM REGION V MAY 2012

From the Regional Administrator

So much has happened since our last newsletter, I barely know where to start. In mid-March we announced that Region V would receive \$32 Million in new local homeless funding in our six states. This is in addition to the \$269 million announced in December, 2011 to renew funding for existing homeless shelters in our region. These <u>Continuum of Care grants</u> provide permanent and transitional housing to homeless persons as well as services including job training, health care, mental health counseling, substance abuse treatment and child care. These funds have been instrumental in the total number of homeless Americans declining by 2.1%.

Energy, and its crucial link to affordable housing, has been on my radar screen this past quarter. Shortly after our last newsletter showed up on your computer screen, HUD awarded \$23 million to test new energy-saving approaches. I am very proud to say one of twelve awards went to the Smart Design Assistance Center at the University of Illinois that will conduct a program to address the needs of small to medium public housing authorities who have been underserved by existing performance contractors.

I recently returned from making welcoming remarks at the Regions IV and V combined conference on energy. This outstanding PIH, Multifamily conference focused on conservation methods, energy efficient retro fit and new construction technologies, energy performance contracting, financing energy activities, and energy conservation through resident and management activities. Increasing energy efficiency among America's affordable housing stock is a central goal of both HUD and the Obama Administration, because it will not only create jobs, but also lower operating costs for residents, public housing authorities and taxpayers and is good for the environment – a win-win situation all the way around. What I saw at the conference reaffirmed my faith in our HUD staff and our community partners. I saw people dedicated to saving energy, the environment and keeping affordable housing affordable.

Three other very important programs received awards in March: <u>Healthy Homes</u>, <u>Housing Counseling</u> and our program to help homeless Veterans, <u>HUD-VASH</u>. I was able join the city of Cincinnati and our Cincinnati Field Office Director, Jim Cunningham for a wonderful press event celebrating the \$3 million Lead Hazard Reduction Demonstration grant to address lead hazards providing lead-safe homes for low income families and children. It was an honor to present the check to Cincinnati Mayor Mark Mallory. And I know our Region V Field Office Directors were able to join some of our other grantees in equally exciting events.



This month we have awarded Indian community Development Block Grants in <u>Michigan</u>, <u>Minnesota</u> and <u>Wisconsin</u> and <u>Fair Housing Initiatives Program (FHIP) grants</u> in Illinois, Michigan, Minnesota, Ohio and Wisconsin.

And finally, I want to end my report with exciting news from Milwaukee. Last September I had the honor of speaking at the ribbon cutting ceremony at Olga Village Senior Center. Olga Village is a sustainable, energy efficient, affordable senior housing funded by partnerships through ARRA, HOME Funding and Low Income Tax Credits. These incentives were unique in that they bring together HUD multifamily, HUD Public Housing and Low Income housing tax credits. Olga Village has exceptional amenities, services and access to transportation, a physical connection to US Bank Village, a 202 development and more. At the time, I remarked that it doesn't get any better than this. But I was wrong, because Olga Village has won a "Best New Development or Renovation – Residential" award for 2012. Read more about it there.

To all of our partners and stakeholders, thank you for what you do each day. I am so impressed and humbled by your tireless efforts to take care of our country's most vulnerable.

BIG NEWS IN COMMUNITY PLANNING: On May 7th, HUD launched the eCon Planning Suite, It used to be that that HUD required more than 1,200 cities, counties and states to undergo a paper-based, time-intensive and costly planning process as a condition of receiving billions of dollars in federal funding. No more. E-con planning tools are a set of 21st Century data and technology tools to help communities ensure that scarce federal dollars are targeted to where they are needed most and can achieve the biggest impact. It is estimated HUD's new approach will save at least 65,000 staff hours each year and support communities in need-driven, placebased decision-making that will engage informed public participation and improve community and economic development outcomes. HUD Secretary Shaun Donovan said, "We know that in a time of huge budget cuts at the state and local level, it's harder and harder to have the resources to bring that information together. This technology that we're providing is going to be really revolutionary in helping all of our grantees work smarter. "For the first time, we have the technology and data available to help communities approach their planning in targeted, datadriven, place-based way," said Mercedes Márquez, HUD's Assistant Secretary of Community Planning and Development. "This is a giant leap forward by providing grantees and the public alike with the tools they need to visualize where federal taxpayer dollars are going and where

investment can make a difference."HUD's new planning tools will support place-based decision-making and promote public participation and transparency in the discussion over where federal investments ought to be made. The eCon Planning Suite is comprised of three components: an expanded planning database; a powerful new mapping tool, CPD Maps; and an electronic template for submitting the Consolidated Plan. video See video here: eCon Planning Suite.

SUSTAINABLE COMMUNITIES: HUD's Office of Sustainable Housing and Communities (OSHC), in partnership with the Office of Policy Development and Research, has launched the Sustainable Communities Resource Center (SCRC) — a new section of HUDUSER.org for information that supports local and regional sustainability strategies, with an emphasis on sustainable housing and planning. Check it out for best practices, resources and interesting projects around the country.

SUSTAINABLE CLASS: An "Orientation to Sustainable Environmental Assessment" class is now forming. The class will be held at the Johns Hopkins Bloomberg School of Public Health in Baltimore, MD, July 30 through August 3. For more information and to register, click here.

SECRETARY DONOVAN VISITS CHICAGO: On April 17th, Secretary Donovan visited Mercy Housing Lakefront and National Housing Trust/Enterprise Preservation Corporation's historic Pullman neighborhood and the Pullman Wheelworks.

During the visit, Secretary Donovan also observed homes being restored by Mercy Portfolio Services and Chicago Neighborhood Initiatives for the Chicago Neighborhood Stabilization Program. He noted that the work "is not just about one building or one block, it is about saving an entire community." After the tour of the Pullman Wheelworks Apartments, Secretary Donovan stated that HUD plans to "use this as a model for the rest of the country."

Save the Date: Beyond VASH - Ending Veteran Homelessness

To accelerate progress towards the goal of ending Veteran homelessness by 2015, USICH is calling on communities to develop a Veteran-centric approach that uses available resources to help our Veterans.

USICH is hosting a webinar to share advice from successful comprehensive approaches that bring different resources together to improve housing and life outcomes for homeless Veterans. Panelists include USICH's Barbara Poppe, VHA National Director of Homeless Programs Lisa Pape, and more.

Wednesday, May 23 3:00 - 4:00 pm EDT Register now

HUD-VASH: Best Practices, Version 1.0, has been published on the HUD website. Check it out <u>here</u>. The purpose of the best practices working document is to spread the word about effective strategies for administering HUD-VASH, as well as highlight the innovation and

dedication of HUD-VASH sites and our partners in the field. It summarizes the most unique and innovative practices submitted by PHAs and VAMCs in response to a request for best practices sent out via the HUD-VASH listserv in the fall of 2011. Other reports and conversations exchanged among federal agencies, PHAs, and community partners also have informed and will continue to inform this best practices list. Because HUD-VASH continues to be a work in progress, we have compiled these best practices into a working document that will be edited when effective new approaches are identified and less-helpful ones are discarded.

SECTION 8 ADJUSTMENT FACTORS: HUD posted final annual adjustment factors for properties under Section 8 housing assistance payment contracts for fiscal year 2012 at http://www.gpo.gov/fdsys/pkg/FR-2012-04-13/pdf/2012-8971.pdf

CENSUS TRACTS: Need a heads-up on which Census tracts have been deemed eligible for Low Income Housing Tax Credits in 2013? You'll find them at http://www.huduser.org/portal/pdredge/pdr edge research 042412.html

NOFA NEWS: **Hot off the press!** HUD just announced an \$85 million Section 811 Supportive Housing Program NOFA, for state housing agencies. Applications due July 31, 2012.

PIH Family Self Sufficiency applications are due May 30, 2012.

Performance Based Contract Administration (PBCA) Program for Project Based Section 8 Housing Assistance Payments Contracts applications are due June 11, 2012.

Visit here frequently, to learn about funds available.

RURAL NEWS: Check out the <u>Housing Assistance Council</u> (HAC) website for the latest rural news on affordable housing

COMBINING HOME AND NSP: HUD has a new guidebook that addresses combining HOME and NSP funds. "HOME and NSP: A Guide for Successfully and Effectively Combining Funding Sources" explains how to comply with both the HOME and Neighborhood Stabilization Programs when using both.

SECRETARY DONOVAN'S WORDS: According to Sec. Donovan's testimony, Congress should quickly pass legislation to make it easier for more homeowners to refinance their mortgages, a move that could help households save money on their monthly payments and boost the housing market. "It's imperative to act soon so homeowners can take advantage of record-low mortgage rates", Donovan told the Senate Banking Committee.

Four Years Later, Housing Finally Turns a Corner (article by The Fiscal Times) The crisis-ridden housing market has "turned a corner," Housing Secretary Shaun Donovan said today. Declining foreclosures, increasing home sales and a year-over-year boost in the Federal Housing Finance Agency index of home prices undergird his statement. Donovan, speaking at a economic conference sponsored by Bloomberg in Washington, said that whether looking at home sales, the number of houses under contract or the increased availability of credit and mortgage money, "We really have begun to see a different view in the market today from even where we were six months ago." "We have made real progress over the past three years. The

number of families falling into foreclosure is down by more than half from where it was," he added. "So there is real progress and I think we have turned a corner."

SETTLEMENT INFORMATION: You may be interested in the Attorney General's settlement with five major mortgage servicers. Here is an information page to help you find out if <u>you or someone you know may be eligible</u> to participate in the settlement. The historic settlement, which will bring relief to distressed homeowners throughout the country, follows an extensive investigation into foreclosure abuses, fraud, and unacceptable mortgage servicing practices such as "robo-signing." Each state is deciding on the best way to implement its share of the settlement. Check the websites for the Offices of the Attorneys General in <u>Illinois</u>; <u>Indiana</u>; <u>Michigan</u>; <u>Minnesota</u>; <u>Ohio</u>; and <u>Wisconsin</u>. They should have information about the settlement and eligibility guidelines for each state.

HUD cautions everyone to <u>beware of scams</u> related to the settlement. Help is free, so there should be *no charge* to obtain assistance with the settlement. Here are some important web pages for more information:

- www.NationalForeclosureSettlement.com
- HUD: Overview of Mortgage Servicing Settlement

Fannie Mae and Freddie Mac are not impacted by the settlement. Please use the following websites to learn if your loan is owned by either of these organizations:

- http://www.fanniemae.com/loanlookup/
- https://ww3.freddiemac.com/corporate/

FHA Webinars: May 24: FHA Condominium Eligibility Requirements. This training will cover the latest updates on FHA condominium eligibility only. The condominium approval process will NOT be covered in this webinar. 1:00 - 2:00 pm EST. Registration required, no fee. To register, click here. June 7: Selling HUD REO's. This training will cover the roles of the Asset and Field Service Managers; who can purchase and sell HUD REO's; types of HUD Home listings; electronic bidding; "incentive" programs; common delays, and more. 1:00 - 2:00 pm EST. Registration required no fee. To register click here. If you missed a recent FHA webinar, please visit their webinar archive to view.

NEW HAMP ENHANCEMENTS FOR MILITARY: Our military families make many sacrifices for our nation, and not just when a servicemember goes into combat. Military families also face challenges when a servicemember receives orders for a Permanent Change of Station (PCS) move to another base, and the family has to decide whether to go along or live apart. Unfortunately, for many military families, this challenge has become more difficult in the wake of the housing market downturn, because like other Americans, many military homeowners are currently underwater on their mortgage. Because their home's value has decreased since they purchased it, these servicemembers may not be able to sell their home at a price that will pay off their mortgage, and they may not be able to rent out their home at a price that will cover their monthly mortgage payments. These military homeowners also may get a lower housing allowance at their new duty station, and may face additional loss of income while their spouse looks for a new job. Suddenly, military homeowners who have been faithfully paying their mortgage on time face a real risk of falling behind. In the last few weeks, Treasury and the

Office of Servicemember Affairs at the CFPB have worked together to address this issue. As a result, Treasury is making important changes to its Home Affordable Modification Program (HAMP) that will provide more opportunities for mortgage assistance to military homeowners. Read more here: military members.

HUD HOUSING COUNSELING STUDIES: HUD released <u>two reports</u> on the impact of HUD-approved housing counseling for those families who purchase their first homes and those struggling to prevent foreclosure. In both studies, HUD found housing counseling significantly improved the likelihood homeowners remained in their homes.

Both the pre-purchase counseling and foreclosure counseling studies enrolled clients in the fall of 2009 and early 2010. HUD found that 35 percent of participants became homeowners within 18 months of pre-purchase counseling and only one of those buyers subsequently fell behind in their mortgage payments. The foreclosure counseling study reveals that with a counselor's help, nearly 70 percent of those counseled obtained a mortgage remedy to retain their home, and 56 percent cured their defaults and became current on their mortgages. "These two studies underscore the need to continue supporting housing counseling programs across this country, especially during this period when families need these services the most," said Raphael Bostic, HUD's Assistant Secretary for Policy Development and Research. "The evidence is clear, with a little investment on the front end, we can go a long way toward improving the chances families will buy a home they can afford and sustain their homes in the long run." Read HUD's Pre-Purchase Counseling Outcome Study and Foreclosure Counseling Outcome Study.

HUD DEPUTY SECRETARY SWORN IN: Last month, Maurice Jones was sworn in as the Deputy Secretary of the U.S. Department of Housing and Urban Development (HUD). Jones was confirmed by the U.S. Senate on March 29, 2012. As the second most senior official at HUD, Jones will be charged with managing the Department's day-to-day operations, a nearly \$47 billion annual operating budget, and the agency's 8,900 employees. "President Obama and Secretary Donovan have blessed me with the opportunity to join HUD during this critical period when we continue to support a fragile recovery from an historic housing crisis," said Jones. "I'm ready to help continue transforming an organization charged with moving beyond the yesterday's experiences to tackle today's challenges and those we'll face tomorrow." "Maurice has one of the strongest public and private sector track records I've seen for building consensus and solving big problems," said HUD Secretary Shaun Donovan "As we continue to confront our current housing challenges, HUD will certainly benefit from Maurice's intellect, his proven management experience and his great people skills." Jones added, "Public service has been a passion of mine since my high school days in rural Lunenburg County, Virginia. As a ninth grader, I was fortunate enough to be selected to serve as a page during that year's legislative session of the Virginia General Assembly. The experience changed my life. I resolved then and there to enter public service when I grew up so that I too could work to make things better." Read more here.

FEDERAL LABOR STANDARDS: HUD has just published a comprehensive summary of Federal fair labor standards in HUD projects. You can find it <u>on-line here</u>.

AWARDS IN COLUMBUS: The Columbus Field Office picked up record 11 awards from the Federal Executive Association of Columbus and Central Ohio for individual, team, and agency categories. The awards were announced at the Public Service Recognition Week Excellence Luncheon. It's important to note that all of the awards reflect accomplishments that support National Operating Plan Goals, meet urgent community needs, or generally support the effective operation of the office. Most of the Team and Interagency awards – including the award for Field Working Groups – are cross-program and/or multi-office efforts. The Cleveland and Cincinnati Field Office Directors and members of their staffs were also part of several teams and were critical to the success of the teams

CINCINNATI NEWS: Elberon Grand Opening - NSP 2 and HOME

The City of Cincinnati and others held a ribbon cutting for the Elberon Apartments recently. The Model Group and Price Hill Will partnered to revitalize this iconic structure that is a gateway to the Price Hill neighborhood of Cincinnati. The 37-unit elderly building is one of three signature projects for the Cincinnati-Hamilton County NSP-II consortium. Cincinnati Mayor Mark Mallory, US Representative Steve Chabot, several State and community leaders along with Field Office Director Jim Cunningham helped cut the ribbon to commemorate four years of hard work in transforming what was once a vacant, abandoned neighborhood nuisance. Hundreds of community leaders and residents attended the grand opening celebration.

http://www.wcpo.com/dpp/news/region_west_cincinnati/price_hill/Renovation-complete-on-Price-Hills-Elberon-Apartments

St. Paul Village – 1 Grand Opening

St. Paul Village I in Cincinnati, Ohio celebrated its grand re-opening with a ribbon cutting ceremony on May 1, 2012. The property, managed and partly owned by Episcopal Retirement Homes (ERH), underwent a dramatic transformation from a struggling property to a sustainable, energy efficient senior community.

Originally built in the mid-70's with efficiency and one-bedroom units, the community now boasts 96 newly reconfigured and remodeled one bedroom units and 7 efficiency units. Ten percent of the units are fully ADA accessible. The grounds now include picnic areas and walking trails. The wellness/fitness center is equipped with donated equipment. Six HUD funding sources: the M2M; IRP decoupling; City of Cincinnati HOME funds; Recovery Act Tax-Credit Assistance Program; and, a 231FHA loan, combined with LIHTC to capitalize the \$13 million in renovations. HUD's project based rental assistance and project based vouchers through the Cincinnati Metropolitan Housing Authority ensure that rents are affordable for senior residents. The property was renovated to LEED standards, including geothermal heating and cooling. http://news.cincinnati.com/article/20120430/BIZ/304300086/Remade-St-Paul-Village-opens-Tuesday

HUD Funded Workshop sharpens city neighborhood quality of life

Emphasis shifts to walking, biking

http://news.cincinnati.com/apps/pbcs.dll/article?AID=/AB/20120502/NEWS/305020108/

College Hill considers new development code

Walkability, character top priorities

http://nky.cincinnati.com/article/AB/20120426/NEWS01/304260124/-1/7daysarchives/College-Hill-considers-new-development-code

Montgomery County NSP-2 "Eco Rehabarama" Ribbon Cutting

FOD Cunningham participated in Montgomery County and Dayton Homebuilder's Association's Eco-Rehabarama ribbon cutting ceremony on May 10, 2012 in Huber Heights, OH. The Dayton-Montgomery County NSP-2 consortium partnered with the Homebuilder's Association to highlight ten recently rehabbed homes in Huber Heights, Ohio that feature bold concepts and energy efficient homes.



Ten Huber Heights homes featured in Eco-Rehabarama Showcase in May http://www.daytondailynews.com/dayton-ohio-real-estate/ten-huber-heights-homes-featured-in-eco-rehabarama-showcase-in-may--1370387.html

GRAND RAPIDS FIELD OFFICE TOURS CITY TO VIEW HUD DOLLARS AT WORK

(by Terri Sanchez): Recently Grand Rapids Field Office Director Lou Berra and his staff took a bus tour to see HUD at work in their city. The bus tour began at Mount Mercy, a Public Housing elderly development on the City's west side then traveled to the Housing Hub, which houses Grand Rapids Community Development employees as well as two local nonprofit agencies.

Employees were taken to another public housing site, Creston Plaza, which is scheduled for complete renovation using various financing resources including a recently awarded City of Grand Rapids Sustainability Grant. The next site on the stop was the NSP-funded, newly-renovated Fulton Farmers Market, an open air market of local farmers and small business owners. Adams Park Apartments, another public housing site was visited to learn how needed repairs were made using the Housing Commission's ARRA funds. The tour continued to another area of the City where an older apartment building in need of repair was in the final stages of completion and readying the property for its Grand Opening later this month. At this point, we were half way through the scheduled tour and already HUD employees were impressed! Next came two more Public Housing sites – Sheldon Apartments, which converted a vacant school building to senior housing and Campau Commons, which was a complete tear down of a former public housing property, changing it to condo-like apartment buildings

including a Community Building and lastly, an award winning Multifamily site called Delaware Manor. During the final hour of the tour, we stopped by a project underway by another faith-based group, Inner City Christian Federation, where a staff member provided information on Phase I scheduled for completion in June of 2012 on two mixed use buildings on Wealthy Street, a part of the City undergoing many positive changes.

Winding down, our bus travelled by Serrano Lofts and Division Park Avenue, two more housing developments in the downtown area, then a stop on Division Street to Martineau Apartments, which is a mixed use development where local artists, and small business owners live and work. This building is another Dwelling Place complex with one of the staff giving a tour of a loft area with floating walls and a description of how this venture started a much needed change in a depressed area of the City and was the catalyst for more development such as our next stop on Division, a Brookstone Capital building. Our group walked across the street to see the changes Brookstone had made and were able to view before and after photos, which gave us a feel for the miraculous recovery that had taken place. One of the apartment owners permitted us to view his apartment and shared his satisfaction in living downtown close to his school and work. At last we came full circle to Mt. Mercy where we were given a tour of the facility, which was a former Catholic school and convent now housing elderly low-income residents in a beautiful wooded setting. Employees left with a better understanding of what their agencies dollars can do for a community and the changes it can bring about in the lives of the customers they serve.

MINNEAPOLIS EMPLOYEE AWARDS: Brian Besch (Office of Inspector General) and Amy Schwarz (Office of Counsel) have been named winners of the 2012 Federal Civil Servant of the Year.

Over the past 25 years, Minneapolis Attorney – Advisor Charles "Chuck" Sorenson has conducted 1,100 closings providing the FHA insurance or capital advances (202/811 programs) in an amount over \$4,690,531,000 for over 73,000 Units of rental housing cooperatives, condominiums, assisted living facilities, nursing homes and hospitals. He has been nationally recognized as one of the Department's best closing attorneys.

MILWAUKEE: HUD approved housing counseling organization, Housing Resources Inc., is sponsoring a free 2012 Homebuyer Education class, Saturday May 26, 2012 at the Waukesha Public Library. Registration required, call 262 522-1230 for details. Congratulations to Olga Village Senior Center on your award.

If this copy of the Region V Newsletter was forwarded to you by a colleague, or you know someone who would like to sign up to receive this or other HUD newsletters: <u>Click here to sign up</u>. Sign up for (two letters for your state)-Partners-Stakeholders-L

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Sincerely, Antonio R. Riley